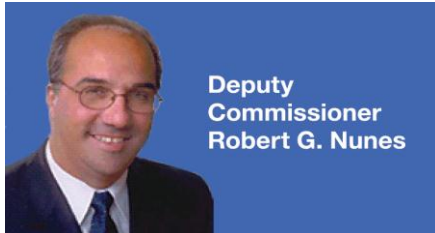


A Publication of  
the Massachusetts  
Department of Revenue's  
Division of Local Services

# City & Town

Amy Pitter, Commissioner • Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs



Deputy  
Commissioner  
Robert G. Nunes

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**City & Town** is published by the Massachusetts Department of Revenue's Division of Local Services (DLS) and is designed to address matters of interest to local officials.

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**Editorial Board: Robert Nunes, Robert Bliss, Zack Blake, Amy Handfield, Sandra Bruso and Patricia Hunt**

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## Highlights of the Fifth Annual Regionalization Conference

On Monday, September 16<sup>th</sup>, nearly 200 state, municipal and local officials from across the Commonwealth attended the Fifth Annual Regionalization and Innovation Conference at the College of the Holy Cross in Worcester for workshops and roundtable discussions with panelists on topics including regionalized law enforcement and technology, civic engagement, performance management, good government and collaborative green initiatives.

Sponsored by the Massachusetts Department of Revenue's Division of Local Services (DLS), the Franklin Regional

Council of Governments (FRCOG), and the Massachusetts Association of Regional Planning Agencies (MARPA), the Regionalization and Innovation Conference highlights the Patrick Administration's continuing efforts to encourage regionalization, promote new and innovative developments in government, and address the needs of municipalities and their residents.

The day began with a welcome from Department of Revenue (DOR) Deputy Commissioner and Director of Municipal Affairs Robert Nunes and was followed by remarks from Executive Director of the Pioneer Valley Planning Commission Tim Brennan. DOR Commissioner Amy Pitter discussed the ongoing transparency and engagement efforts of the DOR360 initiative and introduced Secretary of Administration and Finance Glen Shor. In his keynote address, Secretary Shor announced \$4 million in funding for the third round of the Patrick Administration's Community Innovation Challenge (CIC) grants and other regionalization and innovation resources available to municipalities. The CIC funding will continue to help municipalities collaborate on shared initiatives - reducing costs, improving services, and increasing efficiency. Since 2012, the Patrick Administration has provided \$6.25 million to fund 49 unique projects involving 197 cities and towns across the Commonwealth.

The announcement of the FY2014 CIC funding was accompanied by the release of over 25 successful project reports from the FY2012 CIC grants which will serve as resources for other communities interested in regionalization and innovation projects. The reports are accompanied by a Regionalization Assistance Guide, designed as a "one stop shop" for municipalities to access nine unique technical assistance and grant programs designed to assist municipalities with studying and implementing regional projects. These include a range of regional collaborations and innovations, including District Local Technical Assistance (DLTA) programs, as well as programs designed to assist municipalities in developing regional projects. To view the reports, click [here](#). Presentations from the conference will be made available online soon.

## **Changes in Small Town Government as seen by a Bureau of Accounts**

## **Field Representative**

### **Joe Boudreau - Bureau of Accounts Field Representative**

Over the past twenty years small town government has seen many changes, and as a Bureau of Accounts (BOA) field representative, I have had the pleasure to witness some of them. Small towns have evolved in a number of areas that range from personnel, the operation of town hall, accounting standards, budgeting, technology, and beyond.

Years ago many town halls were simply not opened during the day. Town officials such as treasurers, accounting officers, collectors and town clerks conducted town business out of their homes. Some might have had certain hours in their home that they would be available to townspeople while others would allow citizens to drop in at any time. Town records were generally maintained and kept at home. Town hall was not the central location where town government took place. Boards and committees usually met (and some still do) at night at town hall while some officials who maintained home offices also held town hall hours at night.

In the early years, many of my field visits were not to town halls but rather to officials' homes. Whether it was helping with accounting entries or providing assistance with a tax recapitulation sheet, the work was usually done on a kitchen or dining room table. The concept of part-time officials made it easier to conduct town business in a flexible way without having to commit to specific hours at town hall. This ultimately benefited the town by making it easier to attract people interested in public service.

As time went on, the part-time nature of small town officials working from their homes dwindled as the reporting requirements demanded more attention. People found it harder to volunteer for these positions due to the time commitment. As a result, day time town hall office hours evolved. This did not necessarily mean town halls were open 9am to 5pm, five days a week, but it was the beginning of permanent part time service, which in many cases, led to full time town hall hours.

A number of town halls did not have the computers, faxes, or copier machines, that office automation required. BOA field representatives would carry a laptop (not notebook) on their field visitations with no hard drive using two five and a half

inch floppy drives. While it was heavy and cumbersome, the introduction of computers helped with the field work and showed municipal officials what a little automation could do. For those towns that had computers years ago, they were DOS based (no windows), utilizing a dot matrix tractor feed for the printers. All this was prior to the internet.

One of the many duties of a Bureau of Accounts field representative is to provide technical assistance and training in municipal accounting. Currently in Massachusetts there are two types of accounting systems. The "Statutory System" (STAT) is an old, single-fund system. The newer Uniform Massachusetts Accounting System (UMAS) is a modern multi-fund system. Twenty years ago, the vast majority of my thirty one communities were using the STAT system and a few of them were using something else. Many towns did not use a complete dual entry self-balancing system and instead used a booking system that, in most cases, tracked appropriation balances. A general ledger did not exist and therefore receivables, revenues, and fund balances were not maintained throughout the year. For those towns that had a complete system, a number of them were manual "paper" systems.

For any field representative, one of the most rewarding experiences was, and still is, assisting small towns in recognizing the benefits of an improved accounting system and helping them install and understand how to use it. Over the years, most cities and towns have adopted dual entry accounting systems whether using STAT or UMAS. Most communities have abandoned manual systems and now use automated software.

Another area of change involves how communities submit reports to the Division of Local Services. Originally, tax rate submissions were manually prepared and calculated. The adding or subtracting of the financial information on any required form was done with a calculator and either written or typed. The calculating of the tax rate on page one of the tax recapitulation sheet was at times challenging when making the percentages and tax rate balance. The introduction of the automated tax rate programs that calculated the math and balanced the first page improved the process.

Originally manually calculated, the Annual City and Town Financial Report or Schedule A was also automated. Similar

to the tax recapitulation form, Lotus and then Excel programs allowed towns to automate the completion of this report.

With these changes, small town officials became more knowledgeable about their town's operation and municipal finance.

The Bureau's free cash certification process has also evolved over the years and now requires much more than a simple year-end balance sheet. The various schedules and supporting documents not only provide documentation for free cash certification, they simultaneously show town officials how their free cash is derived.

The above are a few of the various changes that I have observed in small town government during my tenure as a BOA field representative. For those who have worked or volunteered in small town governments, I am sure you have observed these and other changes as well. The small town officials that I interact with agree that these changes have improved the operation of small town government, which ultimately improves the quality of life for their respective citizens.

*Joseph Boudreau has served as a BOA field representative for 24 years. He currently covers communities in Western Massachusetts from Westfield north to the Vermont border.*

## **DLS Website Improvement Committee Starts Improving DLS Website**

**David Davies - Director of Information Technology**

In June 2013, DLS released results of a survey of DLS website users. Deputy Commissioner Nunes formed a committee with representatives from each bureau and each DLS office to analyze the results and plan appropriate improvements in response. The committee put together a plan that relied on certain overall principles:

- Change should be gradual in parallel with retaining existing navigation whenever possible so that web users can find what they need one way or another, by the new way or the old.
- Link addresses to documents or other resources that

users may have "favorited" or embedded in their communities' websites should be retained wherever possible while reorganizing pages to make navigation and searches easier and more logical.

- Users should not have to scroll and read through long pages to find what they need. Content should be broken up into categories and subcategories so that users only have to read six to eight headings to select an appropriate dropdown of another six to eight choices.

The committee focused on issues brought up by website users:

1.) Users desire more robust legal opinion and publication search capabilities. One priority element of DLS's 2014 Strategic Plan is to design and program an external public version of the legal opinion, bulletin, and IGR search screen used internally within the Municipal Finance Law Bureau. This capability is now under development and should appear on the public DLS Gateway landing page this spring.

2.) Users want an easier way to find contact information for DLS staff. DLS IT staff designed a new "Contact Us" page, organizing just DLS staff by office and by bureau. A graphic link "Contact Us" now occupies a prominent, easily visible position on the homepage.

3.) Each bureau's existing content is under review with an eye to reorganize content under logical category headings, eliminate dated content and ensure that content in popular general categories like forms or publications are consolidated in one location under categories that allow easy searches (i.e. bureaus do not create their own form or publication pages adding another place where users have to somehow know the "right" location to search.).

4.) Eliminate categories that reflect a traditional approach to bureau functions based on paper forms and postal mailings that have been effectively superseded by online processes and notifications.

Our June survey results showed that the overwhelming majority of DLS website users are local officials using our site for job-related purposes. The task of the Website Improvement Committee is to design improvements

suggested by those users in ways that respects their professional needs, avoids confusion and provide intuitive navigation throughout.

## **Deadline to Report Computer and Software Services Tax Extended**

### **Department of Revenue**

Revenue Commissioner Amy Pitter is extending the deadline for vendors to file returns reporting sales and use taxes collected under the new law taxing certain computer and software services by one month. The first reporting deadline will now be October 20, 2013. In light of public statements from the Governor and legislative leaders voicing support for repealing these particular taxes, DOR wanted to minimize the administrative burden on businesses that are complying with the law and collecting sales taxes on their services.

If the sales tax on computer and software services is repealed retroactively, DOR will issue further guidance for any taxpayers who may have already filed a return and submitted taxes to the state, including information on how to file for an abatement.

For detailed information on the extension see the [Technical Information Release](#) or consult DOR's [website page](#) dedicated to information on the recent tax legislation.

*Please note that the extension does not apply to the regular monthly or quarterly deadlines for reporting any other sales or use taxes on other products and services, including sales and other transfers of standardized or prewritten software and sales of taxable telecommunications services. Those taxes remain fully due and payable on September 20, 2013 for the previous month's transactions.*

#### **SEPTEMBER**

**September 15**

#### **MUNICIPAL CALENDAR**

**Accountant/ Assessors**

**Jointly Submit Community Preservation Surcharge Report**

This report (CP-1) is a statement of the prior year's net Community Preservation

		<p>Surcharge levy, and is used to distribute state matching funds on November 15.</p>
<b>September 15</b>	<b>Local Reporting Officers</b>	<p><b>Submit Smart Growth School Cost Reimbursement Report to DLS</b></p> <p>Local Reporting Officers report (a) local smart growth property tax and excise tax revenue for prior fiscal year or (b) municipality's waiver of reimbursement.</p>
<b>September 30</b>	<b>Taxpayer</b>	<p><b>Deadline for Submitting Forest Land Certification and Management Plan, M.G.L. Ch. 61</b></p> <p>According to M.G.L. Ch. 61, Section 2, this is the deadline to submit to the Assessors the State Forester's certification and approved management plan in order to have the land valued as classified forest land in the next fiscal year.</p>
<b>September 30</b>	<b>Municipal and District Treasurer/Collector</b>	<p><b>Submit Compensating Balance Report</b></p> <p>If compensating balance accounts were maintained during the prior fiscal year, a report and account analysis schedules must be submitted to DOR.</p>
<b>September 30</b>	<b>Accountant/ Superintendent/ School Committee</b>	<p><b>Jointly Submit End of Year Report to the DESE Schedule 1: determines compliance with prior year Net School Spending requirement. Schedule 19: determines compliance with current year Net School Spending requirement.</b></p>



**September 30**

**Accountant**

**Submit Snow and Ice Report**

This report is a statement of snow and ice expenditures and financing sources.

**September 30**

**Treasurer**

**Year-End Cash for the Previous Fiscal Year (due upon submission of a balance sheet for free cash/excess and deficiency certification)**

A reconciliation is the process of comparing the Treasurer's accounts to the Accountant's/ Auditor's or Schools Business Manager's ledger balance to determine if they are consistent, and for the officials to make any necessary corrections. When the reconciliation is complete, the Accountant/Auditor/School Business Manager should indicate agreement with the Treasurer's balances.

Reconciliations are required annually, but communities and school districts should reconcile monthly for their own purposes. The year-end report as of June 30 must be completed and returned to DOR. Municipalities and school districts should also use monthly reports to monitor cash practices of the Treasurer's office. If the Accountant/Auditor/School Business Manager and Treasurer are not consistently reconciling cash accounts, or if the reconciliations indicate variances, the Mayor, Selectmen or School Committee should inquire as to the reasons.

**Submit Statement of Indebtedness Massachusetts**

**September 30**

**Treasurer**

**General Laws Ch. 44, Sec. 28 requires the Director of Accounts to maintain complete and accurate records of indebtedness by cities, towns and districts.**

This statute also requires Treasurers to furnish any other information requested by the Director in respect to the authorization and issuance of loans. This Statement is the annual report required from Treasurers to accomplish this purpose. Treasurers should reconcile their debt records with the Accountant/Auditor before filing the Statement of Indebtedness to ensure that the Statement and balance sheet are in agreement.

**September 30**

**Treasurer**

**Notification of monthly local aid distribution, click [www.mass.gov/treasury/cash-management](http://www.mass.gov/treasury/cash-management) to view distribution breakdown.**

To unsubscribe to *City and Town* and all other *DLS Alerts*, please click [here](#).